

The Roles of the DCI and
U.S. Intelligence:
An Organizational Analysis

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FOREWORD

In PRM/NSC-11, the President directed a comprehensive review of the missions and structure of United States intelligence entities with a view to identifying needed changes. As part of this review, the Director of Central Intelligence (DCI) was directed to chair an interagency subcommittee of the Special Coordination Committee (SCC) of the National Security Council (NSC) to analyze his own role, responsibilities, and authorities.

This subcommittee was comprised of representatives of the DCI (Central Intelligence Agency, National Intelligence Officers, and Intelligence Community Staff), the Defense Department (Office of the Secretary of Defense and the Joint Chiefs of Staff), the Department of State (Bureau of Intelligence and Research), and the NSC Staff.

Specifically, the PRM/NSC-11, Task 2, called for a report that reviews "the responsibilities and powers of the DCI in his role as Foreign Intelligence Advisor to the President, central authority for the production of national intelligence and manager of the national foreign intelligence program and budget. This examination should include an analysis of the mechanisms for:

- planning, evaluating, and improving the Intelligence Community performance;

- identifying intelligence requirements and tasking all sources;

- processing, analyzing, producing and distributing intelligence for anticipated activities, warning, crisis support, current and estimative intelligence and net assessments;

- evaluating intelligence production performance."

Because this report is devoted, as tasked, to the roles of the DCI, who is but one of several senior authorities responsible for the activities of the Intelligence Community, it cannot completely treat the roles of other such authorities.

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Representatives of the Department of Defense (DOD) believe this is particularly the case regarding the roles of the Secretary of Defense, who manages nearly 80 percent of the financial resources of the National Foreign Intelligence Program, who is executive agent for several major intelligence programs of great importance to national as well as to DOD's intelligence concerns, and whose principal functions require intimate involvement in national intelligence affairs.

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EXECUTIVE SUMMARY

Intelligence is a diversity of collection and production organizations serving a variety of customers with varying needs from the President down to military commanders and diplomats in the field.

-- The Central Intelligence Agency (CIA) and the position of the Director of Central Intelligence (DCI) were created to afford a degree of unity amid this organizational diversity.

-- The roles of the DCI and of the other officials with whom he interacts in this federated community of organizations evolved, and the size and diversity of US intelligence have grown over thirty years.

-- The Department of Defense (DOD) retains a very large role in US national intelligence affairs, with management custody of some 80 percent of the National Foreign Intelligence Program (NFIP) budget, including major national technical collection programs; and DOD has major specialized intelligence needs in the areas of force and weapons development and tactical operations.

In recent years, largely as a result of the Community's size and diversity, questions have arisen about the adequacy of the organization and management of the Intelligence Community and of the role which the DCI plays within it. The key structural questions are:

-- Whether the responsibilities of the DCI are clear and sound, particularly as they relate to intelligence entities within DOD.

-- Whether the authorities and powers of the DCI are commensurate with his responsibilities.

Of the DCI's many roles, the most important are:

-- Principal advisor to the President and the National Security Council on foreign intelligence matters;

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- Producer of national intelligence;
- Leader of the Intelligence Community;
- Head of the CIA.

The first of these roles has important implications for Community structure.

-- To the extent that there is a perceived need for someone to organize and manage the intelligence affairs of the US Government as a whole, there is a tendency to look to the DCI.

-- In one view, held by the DOD, this tendency can lead to an unwise deepening of the DCI's involvement in the management of other agencies' intelligence affairs, and an unhealthy dilution of the DCI's primary substantive role.

-- The DCI believes, however, that this tendency is both natural and legitimate. The resulting expansion of DCI responsibility can be appropriately handled through delegation of duties to subordinates.

The DCI's substantive role as producer of national intelligence originates with the duty given the CIA in the National Security Act of 1947 to "correlate and evaluate intelligence relating to the national security."

-- Although there are weaknesses in this area, the DCI has significant power to remedy or alleviate problems; improvements are frequently more a matter of judgment and management attention than of authority.

-- However, the DCI has little power over the departmental contributors on which the analysis and production of national intelligence so heavily relies.

The DCI's resource management responsibilities in the Intelligence Community have two time dimensions: the use of existing collection and processing resources to meet current and near-term intelligence needs; and the development of new resources to meet future intelligence needs.

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-- Centralized mechanisms for the guidance of major current collection activities exist at the national level, under the DCI, in the case of technical collection assets. DCI powers are strong and prescriptive in the area of imagery; somewhat less strong in the case of SIGINT. Many argue that difficulties here arise not so much from lack of DCI authority or from failings of Community structure, although the fragmented structure of the Community has helped to instill in each collection discipline a disposition to want to manage its own affairs with only general guidance. Frequently, difficulties are in defining problems and designing workable improvement mechanisms -- for example, managing collection tasking during the transition from peace to war and assuring reliable cooperation between the Community and overt human source collectors outside of intelligence (e.g., in the Foreign Service).

-- A greater challenge for US intelligence management is to develop the best overall mix of future capabilities needed to perform effectively at reasonable cost. A fundamental problem is one that is common to other functional programs in government: the absence of a set of measures for assessing the value of outputs and the relative contribution of inputs in terms that find general acceptance and lead to confident decisions.

In his role as head of the CIA, the DCI has strong management powers, but the augmentation of the DCI's role as Community leader has been perceived, in recent years, to cause increasing tension between the two roles.

-- Some in the Community see the DCI as bound to favor CIA in any Community deliberation on production, requirements, or resources in which CIA has an interest, and therefore argue for some degree of DCI separation from CIA.

-- Others contend that part of the problem stems from the imbalance between the DCI's broad responsibilities and his more limited decisionmaking powers in the Community arena; this forces him into a position where he must appear to neglect the CIA to be effective as a negotiator in the Community. Those of this view tend to favor enhancing DCI authority over other Community elements.

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Most of the DCI's other roles are subsidiary to these four primary ones and have fewer implications for Community structure.

-- To help protect the security of intelligence sources and methods, past DCIs have sought new legislation to punish damaging disclosures of sources and methods information; other initiatives -- such as reinvigoration of the classification system within the Community -- are also needed.

-- The DCI is a participant in US foreign counter-intelligence policies and activities; there is a clear need for a national level policymaking and coordinating structure in this area.

-- As an officer responsible for the propriety of US foreign intelligence activities, the DCI has an Inspector General and the normal mechanisms for discovery and investigation of impropriety within CIA. Although charged under Executive Order 11905 to ensure effective Inspectors General in other agencies, he has little power to act on this charge and is generally not equipped to assure propriety in the behavior of agencies other than CIA.

-- Occasional confusion about the DCI's responsibilities as coordinator of liaison with foreign intelligence services would appear to require some clarification in pertinent regulations.

-- With respect to his role as principal spokesman to the Congress on national foreign intelligence, one of the foremost problems for the future may be to find a way in which the DCI can respond to the proper demands of Congress without jeopardizing Presidential prerogatives and DCI relations with the Executive.

-- Regardless of the organizational configuration of the Intelligence Community, the DCI almost certainly will be expected to continue the trend toward greater openness and to accept a continuing role as public spokesman on national foreign intelligence.

Three basic criteria, especially pertinent to the roles of the DCI, can be used in assessing the adequacy of management and authority structures within the Community: propriety, effectiveness, and efficiency.

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-- In the view of DOD, these criteria, as discussed in this paper, do not fully address other criteria important to the roles of the Secretary of Defense, especially the need for adequate integration and interoperability of intelligence with military command and control.

Assuring the propriety of intelligence activities is not solely -- or, in the view of some, primarily -- a matter of Community structure or authority. It is a matter of political or constitutional standards, law and regulations, oversight, and professional ethics. The DCI cannot, at present, be held directly responsible for the actions of agencies which he does not directly command.

-- Although legal responsibility for the propriety of intelligence operations runs from the President down through the line managers of the several intelligence agencies, the DCI believes that the President, the Congress, and the public expect him to act as virtual guarantor of the propriety of all United States' national foreign intelligence activities below the President. In the DCI's view, his authorities to satisfy these expectations are now less than adequate except in the case of CIA.

Improving the overall effectiveness of national intelligence production does not rest mainly on structural change or redistribution of management authority. Improvement requires problem recognition and steady management effort at all levels and in all producing agencies. But efforts to improve intelligence production do have implications for Community structure, and changes in structure sought for other reasons could affect the quality of intelligence production. Effective service to consumers requires a diversified set of producing organizations, some of which are directly subordinate to consumer entities, all of which are able to act in concert when required. The Intelligence Community today affords such a structure.

-- The DCI believes that the diversified structure of the national intelligence production Community existing today is generally sound. In his view, however, more effective national intelligence production requires enhancing the DCI's authority to:

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a. Task Community production elements outside CIA for national intelligence production;

b. Task national collection assets that lie outside CIA but support national intelligence production;

c. Control the program management of the major NFIP elements.

DOD disagrees with this view. It believes, moreover, that such enhancements of DCI authority could materially degrade the responsiveness of DOD collection and production elements to DOD needs.

Achieving the most efficient allocation of resources is mainly a matter of managing collection and processing resources, because that is where most of the money and manpower are. The challenge is to provide the necessary coverage of target problems and adequate service to consumers, while avoiding unnecessary effort and undesirable duplication.

-- With regard to the management of current collection requirements, priorities, and tasking, the DCI believes that, notwithstanding his central role respecting technical systems today, enhanced DCI direct tasking or line authority over major national collection entities is essential to improve their responsiveness to all consumers and to eliminate the high degree of competitive overlap that presently exists.

-- DOD disagrees with this view. It maintains that such enhanced DCI authority would probably work to reduce the responsiveness to DOD needs of those major collection entities within DOD.

Historically, programming and budgeting aspects of US intelligence resource management, as well as line control, have been largely decentralized, both in the Community as a whole and in DOD, where most of the resources reside. But pressures to centralize the process of managing those resources labeled "national" have been increasing for several years, culminating last year in Executive Order 11905.

-- The programming and budgeting decision system initiated by Executive Order 11905 is essentially collegial (in the PRC[I]) and rests on the cooperative

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interaction of the DCI, departmental authorities, their staffs, and intelligence program managers. To a large extent, it places the initiative in the hands of program managers and outside critics. As a by-product, it places some strain on the dual roles of the DCI as a Community leader and as head of CIA. It also, as a practical matter, requires that departmental authority over departmental intelligence elements in the NFIP be compromised; the Executive Order does not eliminate the statutory responsibilities of the department Secretaries over their intelligence activities.

-- Refinement of the programming and budget process created by that order is one way of enhancing the integrity of national intelligence resource management in the future; it has the significant virtue of an evolutionary approach that builds on existing organizations and accumulated experience. Better definition of goals and rules is desirable to make the process of persuasion inherent in the collegial approach more constructive.

In deciding whether significantly to change this regime, several issues are relevant, such as:

-- How much emphasis should be placed on efficiency as compared with other goals;

-- What intelligence activities should be involved;

-- How much and what kind of centralized authority is desirable?

The last question involves at least four conceptually distinguishable management activities: definition of requirements and priorities, and issuance of guidance; reviewing and vetoing Community programs; controlling programming and budget decisions; and exercise of line management. Each activity could, in theory, be centralized or decentralized, could be unilateral or collegial, could be mandatory or advisory. The relevant options and responses are addressed in other parts of the PRM/NSC-11 response.

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The DCI believes, however, that present arrangements give him responsibilities in intelligence resource management that are beyond his management authority to fulfill. Although formal responsibility for the contents of the NFIP rests with a collegial body, the PRC(I), as Chairman and as DCI he is expected by the President and the Congress to develop and take responsibility for an NFIP that is rigorously efficient and displays a close relationship between resource inputs and intelligence product outputs. In the DCI's view, achieving the goals of efficient national intelligence resource management requires his having stronger central authority over national intelligence programming and budgeting decisions, and, in the case of key national programs, line authority as well.

DOD disagrees with this view. It maintains that the degree of centralization under the DCI implied above would be unwise and would severely prejudice the ability of major collection programs in DOD to meet important Defense needs in peace, crisis, or wartime.

I. Introduction

Intelligence can be thought of as a service industry in government, a diversity of organizations serving a variety of customers with varying needs. At the origins of post-war US intelligence, Congress and the President responded to a strongly perceived need to create some degree of overall unity amid this departmental diversity. The Central Intelligence Agency (CIA) and the position of the DCI were created to afford a degree of unity -- as well as some independence from the policy process -- with respect to information and judgment on intelligence questions of national importance. In the intervening years, the size and diversity of US intelligence have grown. (See Figure 1 and other graphics at Annex for an indication of the size and diversity of today's Intelligence Community and its activities.) But so also have the pressures for unity amid diversity. As the nation's senior, full-time functionary for national foreign intelligence, the DCI has been the focus of these pressures. He is the President's principal advisor on foreign intelligence, and national intelligence of pre-eminently Presidential concern is produced under his authority. He has come to preside over Community mechanisms that decide how to use major technical collection capabilities on a day-to-day basis. Since the November 1971 directive of President Nixon, he has been increasingly expected by the President and the Congress to be the guiding authority with regard to programs and fiscal resources of US intelligence entities specified as national.

A direct line of authority runs from the President and his advisory body, the NSC, to the DCI and the CIA. Surrounding this line of authority, however, are a host of vital relationships with other entities of the Executive Branch which generate and receive intelligence. These other relationships do as much to shape the role of today's DCI as does his line command of CIA. For many years, CIA has itself been highly dependent on them. In recent years, they have been seen within CIA to strain the DCI's relationship with the Agency.

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Of these other relationships, that with the Department of Defense (DOD) is the most significant and involved, strongly influenced by the fact that the Secretary of Defense, by virtue of his statutory responsibilities as head of the Department of Defense and member of the NSC, has his own direct line of authority from the President. Characterizing this relationship with the DOD goes a long way toward defining the role of today's DCI. It shall be treated further in following sections. Suffice it to say here that:

a. The DOD consumes the greatest volume of foreign intelligence. In scope and variety, DOD needs for intelligence approach those of the rest of the government combined. Many of its needs arising from force planning and operational action responsibilities are large and unique.

b. Much of the raw intelligence on which the performance of the DCI as an intelligence producer depends is collected and processed by intelligence elements within the DOD. The Secretary of Defense, for example, as executive agent of the Government for signals intelligence (SIGINT), manages the National Security Agency (NSA) as a service of common concern for all agencies and departments, within the basic requirements framework established by the DCI with the advice of the National Foreign Intelligence Board (NFIB).*

c. Defense intelligence production entities, in addition to supporting DOD consumers, play a major role in the development of national intelligence judgments through the NFIB and the medium of national intelligence estimates. In some areas of analysis, their contributions are unique.

d. Because nearly 80 percent of the National Foreign Intelligence Program (NFIP) is located in the DOD, it is with the intelligence authorities of this department that

*The Secretary of Defense is also executive agent for US communications security, advised by the US Communications Security Board.

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the DCI and his Community Staff must interact most intensely to develop the consolidated NFIP and budget.

e. It is in the relationship with DOD that the interwoven complex of national, departmental, and tactical intelligence needs and capabilities arises most sharply to complicate the definition of the DCI's role.

f. In the event of war, and even in some peacetime situations, the DCI's role could conflict with that of the Secretary of Defense.

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Small in size and specialized in interest, the intelligence elements of the Treasury Department, Energy Research and Development Agency (ERDA), and Federal Bureau of Investigation (FBI) flesh out the formal intelligence relationships of the federation of agencies which has come to be called the Intelligence Community. These latter agencies and the departments they serve have increased in importance as intelligence has had to diversify into new areas of international economics,

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nuclear proliferation, terrorism, and international narcotics traffic.

Finally, other departments and agencies outside the Intelligence Community -- the Department of Agriculture, the Department of Commerce, the Arms Control and Disarmament Agency (ACDA), the United States Information Agency (USIA), and others -- are collectors as well as important consumers of foreign intelligence (See Figure 2 for an overview of the Governmental components which have foreign reporting capabilities.)

The purpose of this report is essentially to describe and assess the unifying roles of the DCI, along with other, in some respects conflicting, roles which he has in this Community.

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